

Message Text

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42

ORIGIN XMB-07

INFO OCT-01 NEA-10 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 /087 R

66603

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R 271356Z SEP 73

FM SECSTATE WASHDC

TO AMEMBASSY TEL AVIV

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E.O. 11652: N/A

TAGS: ETRD, IS

SUBJECT: EXIMBANK FINANCING FOR ISRAEL ELECTRIC GENERATORS

REF: YOUR TELEGRAM 7229

GE HAS NOT APPROACHED EXIMBANK FOR A PRELIMINARY COMMITMENT. EXIMBANK WOULD BE INCLINED TO SUGGEST THAT A PRELIMINARY COMMITMENT WOULD NOT BE NECESSARY AT THIS STAGE. BELIEVE IT WOULD BE MORE APPROPRIATE IF LOAN APPLICATION WERE SUBMITTED TO EXIMBANK. HAPOALIM HAS WRITTEN TO EXIMBANK STATING THAT THEY HAVE BEEN ASKED BY ISRAEL ELECTRIC TO ESTABLISH CONTACTS WITH EXIMBANK. IT IS NOT CLEAR, HOWEVER, WHETHER HAPOALIM WOULD ACTUALLY BE THE BORROWER.

FOUR COMMENTS RE PARA 3 REFTTEL: (1) IT IS DOUBTFUL ISRAELIS WOULD BE ABLE TO OBTAIN 8 PERCENT COMMERCIAL BANK MONEY.

(2) FIRST INSTALLMENT DUE DATE WOULD DEPEND UPON PROJECTED LIMITED OFFICIAL USE

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DATE FOR COMPLETION OF PROJECT. (3) EXIMBANK WOULD CHARGE

GUARANTEE FEE (TO COMMERCIAL BANK) AT RATE OF ONE-HALF OF ONE PERCENT PER ANNUM ON OUTSTANDING AMOUNTS. (4) EXIMBANK CAN MAKE AN EFFORT TO MAKE FINANCING TERMS AS ATTRACTIVE AS POSSIBLE, BUT CANNOT MATCH BRITISH 90 PERCENT FINANCING AT 6 PERCENT.

EXIMBANK BELIEVES IT WOULD BE VERY USEFUL AT THIS STAGE FOR DIRECT CONTACT BETWEEN ISRAEL ELECTRIC AND EXIMBANK. POSSIBLY BLOCH COULD CALL ON EXIMBANK WHILE IN US. WOULD APPRECIATE EMBASSY EFFORTS TO DETERMINE WHO THE BORROWER WOULD BE AND WHEN LOAN APPLICATION MIGHT BE SUBMITTED TO EXIMBANK. KISSINGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 27 SEP 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: collinp0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE192309
Document Source: CORE
Document Unique ID: 00
Drafter: XMB: TEMORAN
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t1973096/aaaaadxq.tel
Line Count: 73
Locator: TEXT ON-LINE
Office: ORIGIN XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: YOUR TELEGRAM 7229
Review Action: RELEASED, APPROVED
Review Authority: collinp0
Review Comment: n/a
Review Content Flags:
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Review Event:
Review Exemptions: n/a
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Review Markings:

Declassified/Released
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EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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Status: NATIVE
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TAGS: ETRD, IS
To: TEL AVIV
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005